

REMARKS/ARGUMENTS

This amendment is responsive to the Final Office Action mailed on March 20, 2008. In this amendment claim 1 and 16 are amended, no claims are added, and claim 18 is canceled, so that claims 1-17 and 19-21 are pending and are subject to examination on the merits.

Claim Rejections under 35 USC § 102(e), Knudtzon

Claims 1-21 are rejected as being anticipated by *Knudtzon* (U.S. Patent No. 7,120,597). Applicants respectfully submit that *Knudtzon* does not disclose each and every limitation of the claims, and this rejection is traversed.

Claim 1

For example, Applicant's claim 1 as amended recites:

A system for consolidating adjustments comprising:
an accounting adjustment journal configured for receiving at least one accounting adjustment entry, wherein said accounting adjustment journal is separate from an accounting consolidation ledger;
a proforma accounting consolidation processor configured for processing the accounting consolidation ledger and the at least one accounting adjustment entry to create at least one consolidated accounting adjustment entry that is responsive to the at least one accounting adjustment entry and the accounting consolidation ledger; and
an accounting pending journal configured for storing the at least one consolidated accounting adjustment entry, wherein said accounting pending journal is separate from said accounting consolidation ledger and said accounting adjustment journal.

(emphasis added). Such limitations are not disclosed by the reference.

Knudtzon describes a overlay system which allows service providers to enter adjustment data which is combined with data that has already been entered into a general ledger. (Column 7, lines 19-35). The overlay systems combines the adjustment data with the overlay general ledger to obtain adjusted general ledger data, which can be filtered, sorted and/or formatted by the overlay report system to obtain overlay reports. (Column 7, lines 56-61). The overlay system allows for the adjustment data that was entered by the user to be stored in an adjustment journal for later use. (Column 8, lines 58-61). *Knudtzon* does not disclose creating a consolidated accounting adjustment entry by processing a consolidation ledger and an adjustment entry to create a new consolidated adjustment entry. *Knudtzon* describes combining user entered

adjustment entries with a previously existing ledger, not creating new entries based on the adjustment entries and the ledger. As such, claim 1 can not be anticipated by *Knudtzon*. Furthermore, claim 1 can not be obviated by *Knudtzon* because there is no suggestion in *Knudtzon* to generate additional ledger entries, aside from those already existing in the ledger or entered by the user of the overlay system.

Furthermore, *Knudtzon* does not disclose an accounting pending journal configured to store the consolidated adjustment entry. Although *Knudtzon* may describe an adjustment journal that can store user entered adjustment data, it does not disclose storing a consolidated adjustment entry that was created during the consolidation, because *Knudtzon* does not disclose creating new entries.

Claims 2-7 are allowable at least by virtue of their dependence from claim 1. As such, withdrawal of this rejection is respectfully requested.

Claim 8, 15, and 21

As another example, claim 8 recites:

A method for consolidating accounting adjustments comprising:
receiving at least one accounting adjustment entry from an accounting
adjustment journal;
consolidating the at least one accounting adjustment entry **to generate at least
one consolidated accounting adjustment entry**; and
storing the at least one consolidated accounting adjustment entry in a pending
accounting journal.

(*emphasis added*). The office action has asserted that the limitation of generating at least one consolidation entry is disclosed in *Knudtzon* as described above with respect to claim 1. Again, *Knudtzon* does not disclose generating additional entries based on the adjustment entries. *Knudtzon* describes combining existing ledger data with entries entered by an overlay system user. This does not disclose generating additional entries.

Furthermore, as discussed with respect to claim 1, *Knudtzon* can not disclose storing a consolidated accounting adjustment entry, because *Knudtzon* does not generate consolidated accounting adjustment entries.

In addition, the limitations of claim 8 are not obviated by *Knudtzon* for the same reasons as above with respect to claim 1.

Claims 9-14 are allowable at least by virtue of their dependence from claim 8. Claim 15 and 21 are allowable for the same reasons as presented with respect to claim 8. As such, withdrawal of this rejection is respectfully requested.

Claim 16

As another example, claim 16 as amended recites:

A method for applying adjustments to a consolidated accounting ledger comprising:
receiving at least one accounting adjustment entry;
consolidating the at least one accounting adjustment entry to generate at least one consolidated accounting adjustment entry; and
posting the at least one consolidated accounting adjustment entry to the consolidation accounting ledger,
wherein consolidating the at least one accounting adjustment entry further comprises consolidating inter-company eliminations.

(emphasis added). Claim 16, as amended, incorporates the limitations of previously dependent claim 18. Claim 16 is allowable for the same reasons as mentioned above with respect to claims 1, 8, and 15. Furthermore, claim 16 is allowable because the limitation that consolidation comprises inter company eliminations is not disclosed in *Knudtzon*.

The Office Action asserts that an inter company elimination module is disclosed in *Knudtzon* (Office Action item 7). *Knudtzon* describes a system of report generation that requires making an entry in order to generate a report, then potentially entering a new entry to reverse the changes made by the first entry. This process may be repeated multiple times for different reports. (Column 2, lines 56-65). *Knudtzon* further describes trial balance software that requires the same entry / reversal process as just described. (Column 3, lines 14-17). This does not disclose consolidating an adjustment entry wherein consolidation further comprises inter company eliminations. Furthermore, there is no other reference or suggestion of inter company consolidations in *Knudtzon*. As such, claim 16 can not be anticipated or obviated by *Knudtzon*.

Claims 17, and 19-20 are allowable by virtue of their dependence from claim 16. As such, withdrawal of this rejection is respectfully requested.

CONCLUSION

In view of the foregoing, Applicants believe all claims now pending in this Application are in condition for allowance and an action to that end is respectfully requested.

If the Examiner believes a telephone conference would expedite prosecution of this application, please telephone the undersigned at 415-576-0200.

Respectfully submitted,

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